



Manufacturing in Virginia

SIC 28 Chemicals and Allied Products



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Overall Assessment

- Virginia's largest industry in 1969, tenth in 2000.
- Virginia employment declined 57 percent since 1969; national employment declined only 3.1 percent.
- Ranks second in Virginia and nationally in annual wages per employee.
- Virginia accounts for 2 percent of the national industry, a 55 percent decline since 1969.

Employment

	Virginia		U.S.	
	Employment	Rank	Employment	Rank
1949	33,900	2	618,000	9
1969	47,000	1	1,059,900	9
2000	20,400	10	1,026,900	7

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment Trends

Absolute Employment Growth

	Virginia		U.S.	
	Absolute Employment Change	Rank	Absolute Employment Change	Rank
1949-2000	-13,500	13	+408,900	4
1949-1969	+13,100	4	+441,900	3
1969-2000	-26,600	17	-33,000	6

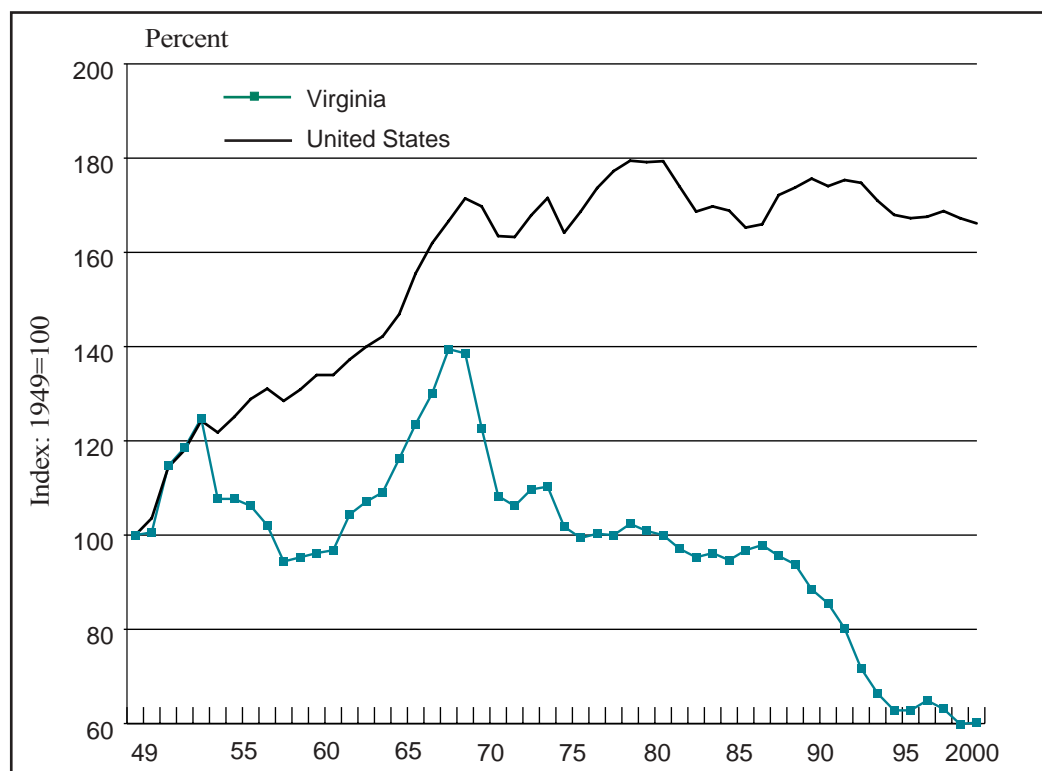
Source: U.S. Department of Labor, Bureau of Labor Statistics.

Relative Employment Growth

Virginia Annual Average Growth Rates						
	Growth Rate 1949-2000	Rank	Growth Rate 1949-69	Rank	Growth Rate 1969-2000	Rank
Chemicals and Allied Products						
Virginia	-1.0%	12	1.6%	10	-2.7%	16
U.S.	1.0%	3	2.7%	3	-0.1%	6
Nonagricultural Employment	3.0%		3.1%		2.9%	
Manufacturing	1.1%		2.6%		0.2%	
Nondurable Goods	0.4%		2.0%		-0.6%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment Change 1949-2000



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Establishments

Number of Establishments

	Virginia		U.S.	
	Establishments	Rank	Establishments	Rank
Chemicals and Allied Products	181	13	14,762	12
Manufacturing	6,908	--	413,506	--
Chemicals and Allied Products as a % of Mfg.	2.6%		3.6%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment per Establishment

	Virginia		U.S.	
	Employment	Rank	Employment	Rank
Chemicals and Allied Products	112	6	70	8
Manufacturing	57	--	45	--

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Payroll

Payroll per Employee

	Virginia		U.S.	
	Payroll per Employee	Rank	Payroll per Employee	Rank
Chemicals and Allied Products	\$52,653	2	\$61,979	2
Manufacturing	\$35,767	--	\$41,941	--
Chemicals as a % of Mfg.	147.2%		147.8%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

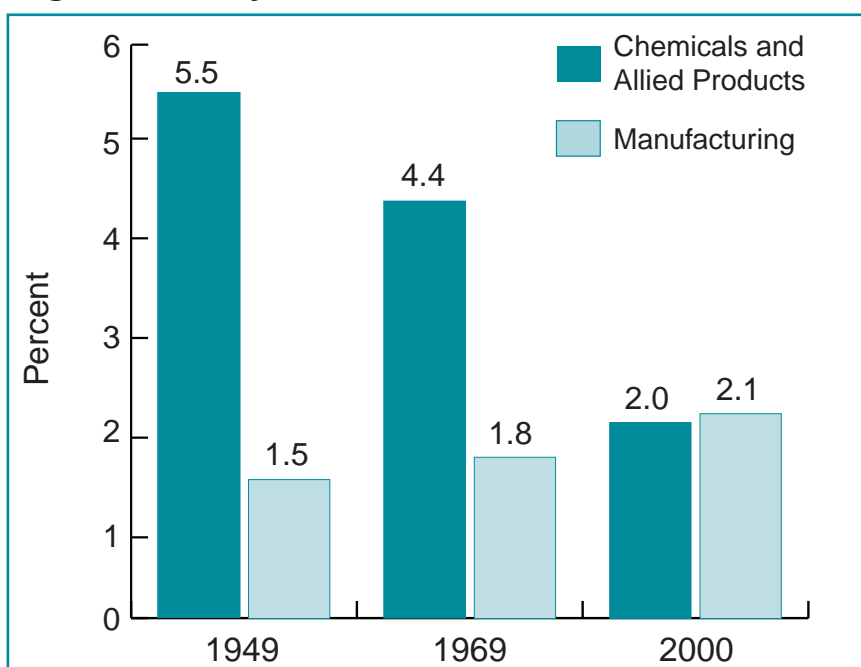
Exports

Virginia Exports		
	Chemicals and Allied Products	Manufacturing
2000	\$727,714,000	\$9,395,636,000
1995	\$902,706,000	\$9,294,115,000
Export Growth, 1995-2000	-19.4%	1.1%
Share of Manufactured Goods Exports, 2000	7.7%	--

Source: U.S. Department of Commerce.

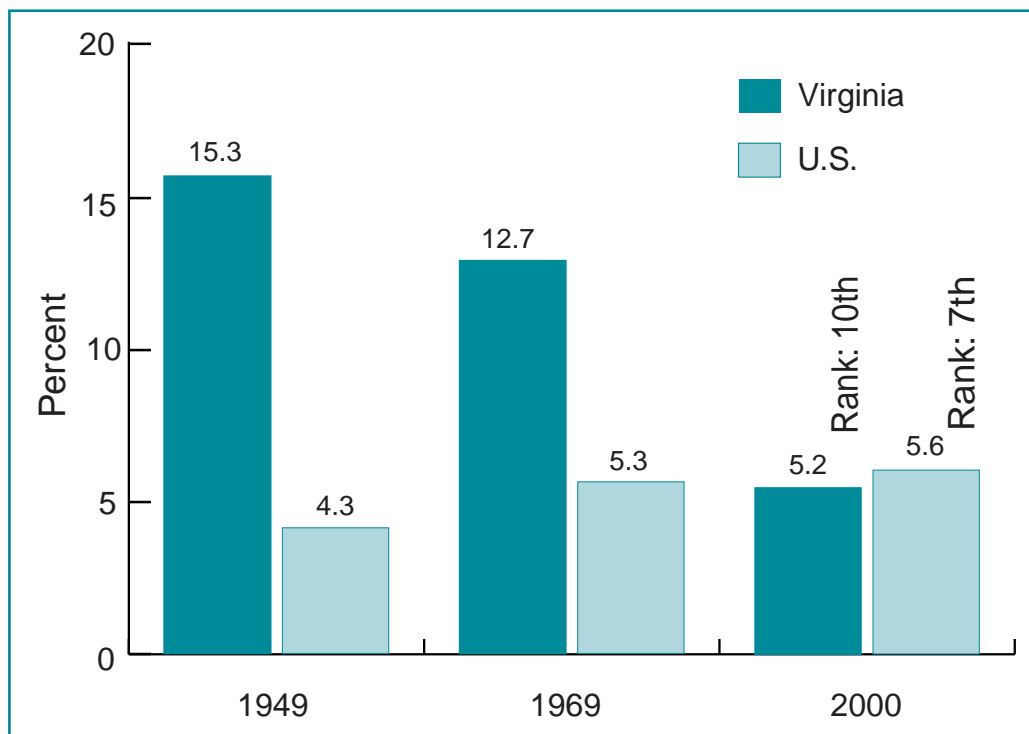
Industry Importance

Virginia's Share of National Chemicals and Allied Products Industry



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Industry's Share of Manufacturing Employment



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Industry Trends

Virginia employment distribution: plastics materials and synthetics (50 percent); drugs (17 percent); miscellaneous chemical products (14 percent); soap, cleaners, and toilet goods (7 percent); paints and allied products (6 percent); and industrial inorganic chemicals (5 percent).

- Virginia's chemical industry employment has been in decline since the late 1960s, despite the continued growth in this industry nationally. Several factors related to this decline include: 1) Almost 50 percent of chemical industry employment in Virginia was in noncellulosic fibers (primarily rayon). Nationally, the rayon industry has been declining since the 1950s, giving way to nylon and other fibers. Employment in this industry segment continued to decline approximately 35 percent throughout the 1970s and 80s. 2) Through the 1980s, explosives production also accounted for a large percentage of chemical industry employment in Virginia. Decreased employment after the Vietnam War accounted for approximately one-half of the drop in chemical industry employment from 1968 to 1978. The Radford Army Ammunition Plant once employed more than 10,000 workers but had fewer than 1,000 workers in 1999.
- Strong growth is expected to continue in the drugs and pharmaceuticals market over the next five years at a rate of 5 to 6 percent annually.
- Most industries in Virginia rely heavily on the chemical industry. At the forefront of technology, this industry is constantly developing and improving products and processes that serve new markets. All industries have improved efficiency and productivity by using substitute materials and products identified through the chemical industry.